

**CALIFORNIA DEPARTMENT OF FOOD AND AGRICULTURE
CERTIFIED FARMERS' MARKET ADVISORY COMMITTEE
Meeting Minutes from December 8, 2003
Sacramento, California**

MEMBERS

Jerry Gonce, Chair
Richard Youngblood
Fred Kosmo
Theodore Loewen
Jim Russell
Gene Etheridge
Edith Clark
Gail Hayden
Lynn Bagley
Harry Brown-Hiegel
Greta Dunlap
Howell Tumlin
Scott Hudson
Scott Beylik
Terrance Faulker (Alternate/Voting)

ALTERNATES/NON VOTING

Doug Hayden
Jane Allen
Joel Kiff

CDFA

Steve Mauch
Rick Jensen
Janice Price
Mike Krug
Richard Estes
Susan Shelton

GUESTS

Randii MacNear
Lance Bingham
Adrienne Harris, RFMA
Al Del Simone
Russell Hall
Patty Blomberg, WIC
Andy Barbussa, WIC

MEMBER EXCUSED

Mary Lou Weiss
Mary Hillebrecht

ITEM 1: ROLL CALL

Jerry Gonce called the meeting to order at 10:03. Edith Clark led the committee in the pledge of allegiance. Susan Shelton called the roll and a quorum was established.

ITEM 1A: INTRODUCTION OF GUESTS

Introductions were made.

ITEM 2: APPROVAL SEPTEMBER 8, 2003, MEETING MINUTES

Doug Hayden requested that the minutes reflect that he was a voting member at the September meeting.

MOTION: Terrance Faulker moved to approve the minutes as corrected. Fred Kosmo seconded. The motion passed unanimously.

ITEM 3: APPROVAL OF AGENDA

Howell Tumlin asked that the topic of forming a subcommittee to work with CACASA be added to the agenda.

MOTION: Jim Russell moved to add this to the agenda as 5.f. and to move the WIC Nutrition Program Update to 5.g. Terrance Faulkner seconded. The motion passed unanimously.

MOTION: Ted Loewen moved to approve the agenda as amended. Joel Kiff seconded. The motion passed unanimously.

ITEM 4: REPORTS

A. CFM REMITTANCE FEE AND DELINQUENT MARKET REPORT: 1st, 2nd, AND 3rd QUARTERS, 2003 – JANICE PRICE

Reports included in committee packet. No discussion at this time.

B. CDFA BUDGET REPORTS: AUGUST, SEPTEMBER, AND OCTOBER, 2003 – JANICE PRICE

Joel Kiff asked if CDFA expects that the 2003 Certified Farmers' Market Program revenue will exceed last year's amount. Janice Price responded it is expected that revenue should at least meet last year's revenue of \$170,000.

C. CDFA TASK REPORT – JANICE PRICE

No discussion at this time.

D. CFMAC EXPIRED TERMS/REAPPOINTMENT QUESTIONNAIRES – JANICE PRICE

Janice Price reported on the following CFMAC Representatives whose terms expire on January 22, 2004: five certified producers, two market managers, one Agricultural Commissioner and each of their alternates. She asked that these members return their reappointment questionnaire along with a letter of recommendation by January 12, 2004, if they wish to seek reappointment.

Janice stated that the press release announcing the upcoming committee vacancies would soon be sent to the industry. This release will also include the CDFA website address for CFMAC notices, minutes, and Public Hearing announcements.

E. CDFA ANNOUNCEMENTS – JANICE PRICE

Janice Price announced that Governor Schwarzenegger has issued an executive order, released on November 17, 2003, placing a temporary, 180-day, moratorium on all

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pending regulations. During this time no information pertaining to new regulations will be sent to the industry. The program had planned on noticing the industry with three proposed regulation amendments. The proposal included defining sprouts for the purpose of selling at CFMs, requiring CFMs to have a current valid certificate when in operation, and requiring organic certified producers to post their organic registration and certification, if applicable. The proposal will be noticed to the industry when the moratorium is lifted. Steve Mauch added that the governor has also requested a list of all regulations enacted since 1999.

Janice announced the recent appointment of A.G. Kawamura to Secretary of the California Department of Food & Agriculture. Mr. Kawamura is a producer/grower/shipper of specialty produce such as strawberries, celery, etc. He has sat on various agriculture-related boards, including the CDFA Board. Steve Mauch added that Mr. Kawamura might be interested in giving the welcoming speech at the upcoming North American Farmers' Direct Marketing Conference scheduled for February 2004.

F. CFM ONLINE CERTIFICATION PROGRAM UPDATE – JANICE PRICE

There are currently five counties trained and using this system. After the programmers have been provided with a list of reports, the system will be available to the rest of the counties on a first come, first serve basis.

G. CACASA WINTER CONFERENCE – JANICE PRICE/HOWELL TUMLIN

Janice Price reported that the following topics were discussed:

- Standardized Load Lists – The Commissioners requested that the load lists be simplified, containing only what is required by law.
- Adding the “enforcement officer” language to section 1392.4 - Proposed Adoption of Sections 1392.4 (h) to read:
“The operator of a certified farmers’ market shall, upon the request of an enforcement officer, provide a current valid certified farmers’ market certificate when operating a certified farmers’ market.”
- Establishment of a Non Certifiable Agricultural Products Sub-committee.

Janice Price reported that the establishment of a Non-certifiable Agriculture Products Sub-committee generated a considerable amount of discussion about non-certifiable agriculture products. The commissioners felt the CFM Program takes a considerable amount of time and continues to be complicated.

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Howell Tumlin stated that the CACASA members have a very sophisticated understanding of the certified farmers' market program. CACASA is very interested in the future of the program and would like to steer it back to the function of carrying out its original intentions of selling produce only.

A motion was approved by the Standardization and Statistics Committee to reconvene the CACASA Direct Marketing Enforcement Sub-committee to further discuss the commissioner's concerns.

H. AGRICULTURAL COMMISSIONERS

Scott Hudson thanked Howell Tumlin and Jerry Gonce for attending the CACASA conference. In attendance were 55 agricultural commissioners, representing 58 counties. Limited resources are making the commissioners look at all their programs in order to prioritize and scale down.

Mandated producer site inspections were also discussed at the CACASA conference. There was a motion to change the Food and Agricultural Code, Section 47020 (b) to replace "shall" with "may" in regards to yearly inspections. Specifically, there were questions on why permanent crops need to be inspected each year. Also, in regards to prioritization, it is difficult for commissioners to inspect all production sites each year.

I. LONG RANGE PLANNING SUB-COMMITTEE – JANE ALLEN, CHAIR

Jane Allen reported that the sub-committee worked on their mission statement during their conference call on December 2, 2003. The committee has also submitted an alternate cover letter to go out with the surveys to the certified producers. During their meeting, the sub-committee also voted the approval of the surveys and voted to send them, along with the cover letters, as soon as possible. The sub-committee is currently looking at several universities for help in analyzing the survey results.

J. FINANCE SUB-COMMITTEE – SCOTT BEYLIK, CHAIR

This sub-committee met and requested Janice put together a list of options to justify CDFA fee increases. They analyzed increases of \$.20, \$.40, \$.60, and \$.80 from the current \$.60 market fee. Scott Beylik also reported on suggested ways to cut program costs. Some of these are as follows:

- Have Janice utilize current Inspection and Compliance staff to do market visits, producer site inspections, etc.

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- Have the program pay for a ½ time clerical assistant to free Janice up to do more fieldwork.
- Put \$1.00 fee increase into place, as was previously voted for by the CFMAC.
- Have a four to six month window without an active staff person in order to pay off the Program's debt.

At the January 12, 2004 CFMAC meeting, the sub-committee will present official proposals for cutting costs and ways to bring the program out of its negative balance.

K. NURSERY STOCK/CUT FLOWERS SUB-COMMITTEE – MARY LOU WEISS, CHAIR

All nursery stock issues are being placed on hold.

L. MARKET STANDARDS/MANAGER CERTIFICATION SUB-COMMITTEE – HOWELL TUMLIN, CHAIR

The sub-committee had an organizational meeting and discussed jurisdictional issues. Nothing further to report at this time.

M. ENFORCEMENT/MATIRIX SUB-COMMITTEE – SCOTT HUDSON, CHAIR

Nothing to report at this time.

N. NON-CERTIFIABLE AGRICULTURAL PRODUCTS SUB-COMMITTEE – JIM RUSSELL, CHAIR

This sub-committee will be having a teleconference on Monday, December 15, 2003. Nothing further to report at this time.

O. CHAIRMAN'S REPORT – JERRY GONCE

Nothing to report at this time.

ITEM 5: COMMITTEE BUSINESS

A. LONG RANGE PLANNING SUB-COMMITTEE – JANE ALLEN

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The sub-committee made a few minor changes to the surveys and resubmitted them to the committee for approval. The tentative mailing date is December 26, 2003, with an expected reply date of January 20, 2004. The mailing is expected to cost about \$1,300 to survey certified producers. The market manager survey will go out with other program business and the commissioner's survey will be posted to the CDFA County posting website.

MOTION: Jim Russell moved to approve and send the surveys and cover letters as amended and submitted. Terrance Faulkner seconded. The motion passed unanimously.

B. JURISDICTIONAL QUESTIONS ON DEFINITION OF CERTIFIED FARMERS' MARKETS - CDFA

Janice Price introduced Mike Krug and Richard Estes from the CDFA Legal Office. Mike Krug explained that what is outside the boundaries of the farmers' market is not under the jurisdiction of CDFA. CDFA cannot dictate what products can be sold, or allowed to be sold, adjacent to the CFM. Agricultural Commissioners only inspect what is within the market boundaries.

Richard stated that the problem with "peddlers" selling agricultural commodities near a farmers' market without a produce handlers' license or a direct marketing certificate is illegal, and as noted by Janice Price, something that should be reported to the county agricultural commissioner and the Market Enforcement Branch.

The question was asked if it would be possible to regulate this by the market operation certification. For example, writing regulations that a market cannot engage in the selling of over 'x' amount of non-agricultural products. Mike Krug stated that the amount cannot be an arbitrary number; it must be based on specific reasons. Richard Estes commented that the committee should keep in mind that the more regulations, the less flexible markets can be.

Richard added that the challenges presented by the practice of some certified farmers' markets using their certificates to obtain health department approval for food vendors to sell adjacent to the certified area include:

- Currently, there are no regulations to address this situation, regardless of how small the certified area is in contrast to the food vending activities.
- Direct Marketing statutes and regulations do not authorize dictating space between the two activities.

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- It may be possible to specifically regulate the activity through the enactment of regulations about the terms and conditions associated with the receipt of a certified farmers' market certificate.
- This issue presents philosophical questions about the purpose of the Program that are best resolved by the Program and the Committee, with legal assistance as requested.

A committee member explained that some markets have maps that specify what stalls in the market are certified. This was suggested as one way market managers can help the public distinguish between the differences in the certified and non-certified areas of the market.

C. JURISDICTIONAL QUESTIONS ON NON-CERTIFIABLE AGRICULTURAL PRODUCTS - CDFA

CDFA does have jurisdiction over non-certifiable agricultural products. There are difficulties with determining whether specific kinds of non-certified products, as defined by the regulation, and other processed goods, can be sold within the certified farmers' market portion of a market.

The Department has a policy, dating from 1991; however, certified farmers' markets and certified producers have had difficulty understanding it, or have stretched it to the point that it is unrecognizable in order to bring these value-added products into the market. Statutory and/or regulatory action is required to clarify the situation. The Legal Office expressed a willingness to assist the Committee by providing legal assistance. Philosophical perspectives about the purpose of the Direct Marketing Program, and the extent to which facilitating the sale of these products are consistent with it, are best resolved by the Program and the Committee.

D. REVISED CFM CERTIFICATE REGULATION PROPOSAL – JANICE PRICE

CACASA asked that the CFMAC add “upon the request of an enforcement officer” to the language in CA Code of Regulations, Section 1392.4.

This section would read:

“(h) The operator of a certified farmers’ market shall, upon the request of an enforcement officer, provide a current valid certified farmers’ market certificate when operating a certified farmers’ market.”

MOTION: Jane Allen moved to adopt the modification to Section 1392.4, as suggested by CACASA. Gene Etheridge seconded. The motion passed.

E. NEW BUSINESS – DISCUSSION ONLY

No new business to discuss.

F. CREATION OF SUB-COMMITTEE TO WORK WITH CACASA

Howell Tumlin suggested that CFMAC form a sub-committee to work as a liaison to the CACASA Non-certifiable Agricultural Products Sub-committee.

MOTION: Howell Tumlin moved to form an ad hoc sub-committee to work with CACASA in reforming the current program, to bring it back to its original intention. Jim Russell seconded. The motion passed.

MOTION: Fred Kosmo moved to nominate Terrance Faulkner, Jane Allen, Joel Kiff, Greta Dunlap, Jim Russell, and Scott Beylik to this sub-committee. Terrance Faulkner seconded. The motion passed.

G. WIC NUTRITION PROGRAM UPDATE

Patty Blomberg and Andy Barbussa from WIC discussed their plans to generate in-kind revenue. WIC has developed forms that they wish to send to the agricultural commissioners, producers, and market managers. These are short questionnaires that, if completed and returned to WIC, will help them calculate the in-kind donations. In-kind donations can be used as matching funds for their program budget.

ITEM 6: MEMBER ROUNDTABLE DISCUSSION – JERRY GONCE

Gail Hayden announced that the North American Farmers’ Direct Marketing Conference would be held in February at the Sheraton in Sacramento. To register, or for more information, the website is www.nafdma.com.

ITEM 7: NEXT MEETING JANUARY 12, 2004 – TORRANCE/NEW AGENDA ITEMS – JERRY GONCE

All documentation that needs to be sent with the January 12, 2004 agenda needs to be sent to Janice Price by December 18, 2003.

ITEM 8: ADJOURNMENT

MOTION: Jim Russell moved to adjourn the meeting. Lynn Bagley seconded. The motion passed unanimously.

Respectfully submitted by:

Janice Price, Supervisor
Certified Farmers' Market Program
Inspection and Compliance
Inspection Services